

INDIAN JOURNAL OF TRANSPORT MANAGEMENT

Volume 40

Number 1

January - March 2016

 **Allison**
Transmission.



For more details, visit us
allisontransmission.com

CONTENTS

□ EDITORIAL	3
□ Priyanka Das & Soumen Mitra EVALUATING WALKABILITY IN JALUKBARI- MALIGAON AREA, GUWAHATI CITY, ASSAM	4
□ H. N. Patil PRICING OF A PUBLIC BUS SERVICE ON CONTRACT - A RATIONAL APPROACH	25
□ P.K. Pandey INSURANCE OF MOTOR VEHICLES IN INDIA : LAWS, POLICIES AND PRACTICE	38
□ LIST OF STATE TRANSPORT UNDERTAKINGS	62
□ INDEX TO THE INDIAN JOURNAL OF TRANSPORT MANAGEMENT, Vol. 39, January to December 2015	68

New Allison Automatics for Indian City Buses

Allison fully automatic transmissions help keep your buses and business on schedule through higher availability, better operating economics, improved vehicle performance and enhanced passenger comfort.

- Life Cycle Value
- Proven Reliability and Durability
- Torque Converter (no manual clutch)
- Superior Performance
- Improved Overall Safety
- Smart Controls
- Easy to Maintain



RATINGS

Model	Power (hp)	Torque N·m	GVW kg
T180	182	685	16,200
T270	240	900	24,000
T280	260	1000	24,000
T310	275	1100	26,000

Allison Transmission - the automatic experience with an unrivalled combination of
Quality, Reliability, Durability, Vocational Value, and Customer Service.

INSURANCE OF MOTOR VEHICLES IN INDIA : LAWS, POLICIES AND PRACTICE

Dr. P. K. PANDEY *



ABSTRACT

Insurance is an effective tool, among other available modes of risk sharing, which is based on the concept of social security and social justice. It has gained popularity in recent times as it provides actual financial security against loss only for exchange of a small amount of premium. This is equally true in case of motor vehicle insurance also. Today, the motor vehicle insurance is the largest segment of non-life insurance not only in India but in other countries also because of its compulsory nature. This type of insurance provides protection to the interests of motor vehicle owners and other members of the society in addition to strengthening insurance industry in varied ways.

The present paper attempts to discuss the laws, policies and practice relating to motor vehicle insurance in India in addition to the relationship in road accidents, loss/damage to vehicles and motor vehicle insurance with detailed analysis of data from various governmental and other sources.

* Dr. P. K. Pandey is an Assistant Professor (Law), Centre for Juridical Studies, Dibrugarh University, Dibrugarh, Assam.

With the emergence of the General Insurance Corporation which has taken over general insurance business of all kinds, including motor vehicles insurance, it should be easy to give statutory recognition to the State's obligation to compensate victims of road accidents promptly, adequately and without contest.

*Supreme Court of India in
Motor Owners Insurance Co. Ltd. v. Jadavji Keshavji Modi & others*

INTRODUCTION

With the invention of motor vehicles, the human beings reached in an era where transportation system became very comfortable, simple and pleasant. With the help of new technologies and creative attempts, day by day the improvements are being made in earlier versions of motor vehicles and thus we have reached in a world where distance has no meaning for transporting goods or passengers. In addition to this, for all round development of any country, an efficient road transport system is thought to be very vital. The contribution of road transport in economic development and social integration of a country cannot be ignored. Undoubtedly, this attempt has enriched us in varied ways making our life like heaven but at the same time motor vehicles, in today's scenario, have become dangerous instruments inflicting deaths, bodily injuries and damage to properties. In this circumstance, the discussion on the relevancy and necessity of motor vehicles insurance is of paramount significance. In true sense, the motor vehicles insurance is in line with the concept of social justice enshrined in the Constitution of India which is beneficial to the vehicle owners, government, other members of the society and it is required for growth and stability in insurance industry also.

UNDERSTANDING MOTOR VEHICLES INSURANCE

The origin of 'motor vehicles insurance' undoubtedly took place after introduction of motor vehicles in society, but the concept of insurance, as a method of sharing of losses, existed in the early civilization and it was very well known during the Aryan civilization. But, insurance as a technique to provide protection against the fortuitous events for consideration has its origin in the 'bottomry bonds'.

In the beginning, 'motor vehicles insurance' was not regulated by the State and it was considered as a contract between two private parties to cover claims related to motor vehicles. But, many instances came where the pedestrians or other individuals or animals or properties were injured/damaged by plying these vehicles in public places and the owner of the motor vehicle, involved in accident, was not able to compensate the loss because of his unhealthy financial condition. Hence, the State stepped in by legislating laws to legally bind the owners of motor vehicles to take third party motor vehicles insurance policy to cover potential risk to third parties.

At the global level, the third party motor vehicles insurance was first compulsorily implemented in 1908 in Austrian-Hungarian Empire. In India, it was compulsorily implemented in 1946.

The 'motor vehicles insurance' is a contract between the insurance company and the owner of motor vehicle for compensating in case of damage to the persons or property of others or to the owner also in return of premium paid by the owner but it has to be noted that the nature of motor vehicles insurance is different from other types of insurance. Karnataka High Court in *National Insurance Co. Ltd. v. Mallikarjun and others*, held that the ownership of a vehicle is one of the most important ingredients of an insurance contract in respect of a motor vehicle.

For the purpose of insurance, the motor vehicles may be broadly classified in three categories as under :-

- (i) Private cars
- (ii) Motor cycles and motor scooters
- (iii) Commercial vehicles, which may be further classified into :-
 - (a) Goods carrying vehicles
 - (b) Passenger carrying vehicles like buses, taxis etc.
 - (c) Miscellaneous vehicles like ambulance, mobile dispensaries etc.

Due to motor vehicle accidents, there may be following losses :-

- Loss or damage to the vehicle: It is called Own Damage or OD.
- The liability of motor owner for loss/damage to the property/person of third parties: It is called Third Party Liability or TPL.

A document of the *United Nations Conference on Trade and Development* mentions that motor accidents create problems for three groups of people, namely (i) government (ii) vehicle owners and (iii) members of the public. Governments are concerned with the waste of human and material resources caused by motor accidents. They are equally concerned with the social problems, including the destabilisation of homes, caused by accidental deaths and injuries. There is also the problem of financing medical care, rehabilitation and welfare services for the victims of road accidents. Vehicle owners are adversely affected by damage to their vehicles and also by the financially crippling risk of having to pay enormous amounts to claimants. Members of the public live in fear of being killed or maimed or suffering property damage as a result of motor accident.

For all types of vehicles, the motor vehicles insurance is of two types: Form A and Form B.

Form A / Act Only Policy : This insurance covers the loss occurred to the third party's body or his property (TPL) arising out of the use of motor vehicles in public places. It is worthwhile to mention here that this policy is of compulsory nature under the provisions of the Motor Vehicles Act, 1988 and without having this insurance policy, a motor vehicle cannot ply in a public place. A motor vehicle at public place without having such insurance policy is punishable. Hon'ble Supreme Court of India in *Uttar Pradesh State Road Transport Corporation v. Kulsum & others*, held that compulsory insurance of the vehicle is meant for the benefit of the third parties. The purpose of compulsory insurance in the Motor Vehicles Act has been enacted with an object to advance social justice.

Form B / Comprehensive Policy / (Act Liability + Own Damage) : This insurance policy includes loss/damage to own vehicle and theft of vehicle itself (OD) in addition to the liabilities to third parties (TPL) as mentioned above. But, it is to be mentioned that the insurance of motor vehicles against damage to the vehicle (OD) is not made compulsory and it is wholly left for the motor vehicle owner if he likes, he may insure or he may not. As mentioned above, the third party liability (TPL) insurance is mandatory for all motor vehicles which are used in public places.

Mentioning the nature of the motor vehicles insurance, Supreme Court of India in *New India Assurance Co. Ltd v. Sadanand Mukhi and others*, observed that by taking an 'act policy', the owner of a vehicle fulfils his statutory obligation as contained in Section 147 of the Act.

Law Commission of India in its 119th Report has also observed that 'compensation for victims of motor accidents is itself, to some extent, a measure of social justice as also a facet of social security. Compulsory insurance for third party risk supports this inference. If that be so, availability of social justice and social security must be within the easy reach of people entitled to it. Victims of accidents, excluding some very rich persons, belong to this class. As against poor pedestrians or travellers in cheap vehicles as motor rickshaws and not so very road-worthy buses on contract carriage hired by weaker sections of society, the insurer and the insured are better placed.'

Supreme Court of India Bench consisting Hon'ble V.N. Khare, CJI, D.M. Dharmadhikari, S.B. Sinha, JJ. in *National Insurance Co. Ltd v. Swaran Singh & others*, said that Chapter XI of the Motor Vehicles Act, 1988 providing compulsory insurance of vehicles against third party risks is a social welfare legislation to extend relief by compensation to victims of accidents caused by use of motor vehicles. The provisions of compulsory insurance coverage of all vehicles are with this paramount object and the provisions of the Act have to be so interpreted as to effectuate the said object.

MOTOR VEHICLES INSURANCE: INTERNATIONAL PERSPECTIVE

The jurisprudence behind motor vehicles insurance is similarly applicable for the whole world and in line with this principle majority of the countries have enacted laws for compulsory third party motor insurance which is an expression of present-day trend in securing compensation to the victims of road motor vehicle accidents. At the same time there are some countries also where third party liability motor insurance is compulsory only for specific vehicles or in specific areas and in few countries, such type of insurance is not compulsory. At the regional level, the European Commission has attempted to harmonise the motor third party liability insurance by issuing directives in 1972, 1983, 1990, 2000 and 2005. Other countries have their own legislations for effective implementation of the motor vehicles insurance.

United Kingdom : As per *World Insurance Report, 2016* in United Kingdom the non-life insurance premium collections increased to \$116 billion in 2014 from \$ 106.6 billion in 2013, which indicates that this market is very mature and highly competitive. In this country, the third party motor insurance was made compulsory under the provisions of Road Traffic Act, 1930. Presently, in United Kingdom the Road Traffic Act, 1988 is in force which under section 143 mandates to have insurance against third-party risks for every person using motor vehicles. Section 144 of the Act exempts some vehicles from the application of section 143, as mentioned above, including those owned by certain councils and local authorities, national park authorities, education authorities, police authorities, fire authorities, health service bodies and security services.

United States of America : Being the best example of a federal Constitution in the world, the USA has complete division of powers between the Federal and State governments and both are independent in their own spheres in respect of law making. In such a legal system, as required, all States have different laws relating to motor insurance and motor insurance is compulsory in all States. Massachusetts was the first State of USA which legislated compulsory motor insurance in 1927. For example, in *State of Wisconsin*, Chapter 344: Sub-chapter VI deals with 'Mandatory Liability Insurance'. In the *State of Illinois*, the relevant provisions of motor insurance are contained in Sec. 7-601 (Article VI) of 'Chapter 7: the Illinois Safety and Family Financial Responsibility Law' of the Illinois Vehicle Code which says that 'no person shall operate, register or maintain registration of, and no owner shall permit another person to operate, register or maintain registration of, a motor vehicle designed to be used on a public highway unless the motor vehicle is covered by a liability insurance policy'. Like this, other States also have legislated in this context.

ROAD ACCIDENTS, LOSS / DAMAGE TO VEHICLES AND MOTOR VEHICLES INSURANCE IN INDIA: PRESENT STATUS

As per *Road Accidents in India, 2015* published by the Ministry of Road Transport & Highways, Transport Research Wing, Government of India the total number of road accidents increased by 2.5% from 4,89,400 in 2014 to 5,01,423 in 2015. During the year 2015, the total number of persons injured and killed in road accidents are 5,00,279 and 1,46,133, respectively, over 2014 where it was 4,93,474 and 1,39,671, respectively. Following the above trend, the severity of road accidents, measured in terms of number of persons killed per 100 accidents, has increased from 28.5 in 2014 to 29.1 in 2015. 53.8% and 46.2% of road accidents took place in rural areas (2,69,529 cases) and urban areas (2,31,894 cases), respectively. In vehicle categories, the two-wheelers accounted for the highest share in total road accidents (28.8%) in 2015 followed by cars, jeeps and taxis (23.6%), trucks, tempos, tractors and other articulated vehicles (19.7%), other motor vehicles (9.0%), buses (8.3%) and auto-rickshaws (6.1%). Further, 82.5% (1,20,626) and 17.5% (25,507) victims of road accident deaths were male and female, respectively.

The comparative data of last seven years from 2009 to 2015 has been presented in Table-1 to show the gravity of road accidents in India. It is evident from the table that there was slight but continuous decrease in the number of total road accidents after 2010 but this trend has changed with increasing number of accidents from the year 2014. The same trend, with slight change, has been followed in respect of total number of persons injured, killed in accidents and accident severity. It is worthwhile to mention that in case of road accidents, the third party liability of vehicle owners arise in addition to own damage to the vehicle. If the motor vehicles are not insured, the rights and interests of the injured/killed persons in road accidents may be adversely affected.

Table-1 : Road Accidents in India (2009-2015)

	2009	2010	2011	2012	2013	2014	2015
Total No. of Road Accidents	486384	499628	497686	490383	486476	489400	501423
Total No. of Persons Injured	515458	527512	511394	509667	494893	493474	500279
Total No. of Persons Killed	125660	134513	142485	138258	137572	139671	146133
Accident Severity (No. of persons killed per 100 accidents)	25.8	26.9	28.6	28.2	28.3	28.5	29.1

Source: *Road Accidents in India, 2015*, Ministry of Road Transport & Highways, Transport Research Wing, Government of India.

As discussed above, the comprehensive insurance policy provides protection against third party liability and own damage to the motor vehicle. As per *Crime in India, 2014* published by the National Crime Records Bureau, Ministry of Home Affairs, Government of India, in the year 2014, 183450 cases were reported of theft of motor vehicles of value Rs. 120141.7 lakh including 152931 number of motor cycles/scooters of value Rs. 45027.5 lakh, 15929 number of LMV/cars of value Rs. 27156.8 lakh, 559 number of LMV/sport utility vehicles of value Rs. 1851.4 lakh, 3239 number of LMV/Others of value Rs. 8782.2 lakh, 3546 number of goods carrying vehicles (Truck etc.) of value Rs. 21617.7 lakh, 99 number of public transport vehicles (Bus) of value Rs. 702.4 lakh, 2565 number of three-wheelers (Auto etc.) of value Rs. 2183.2 lakh, 4582 number of other vehicles of value Rs. 12820.4 lakh. It is very much clear from

Table-2 that the relationship between 'total number of motor vehicles stolen and their value' and percentage of recovery of vehicles is disproportionate, in which the rate of vehicles stolen and value of stolen vehicles is rising but the percentage of vehicles recovered is in decreasing mode, specially after 2011.

Table-2 : Total Number of Motor Vehicles Stolen and their Value (in lakh) & Percentage of Recovery

Year	Stolen (Nos.)	Value Rs. (Lakh)	Percentage of Recovery
2009	138256	83951.9	25.6%
2010	144246	83987.0	26.0%
2011	150839	98540.7	26.8%
2012	152073	97209.8	25.1%
2013	164381	115717.0	22.4%
2014	183450	120141.7	21.4%

Source: *Crime in India, NCRB*.

From Table-3 it is clear that motor cycles and scooters are first choice of wrongdoers, which is followed by Motor Car/Taxi/Jeep. From 2009 to 2014, here also there is increase in every category.

Table-3: Number of Stolen Motor Vehicles and their Value (in lakh) Category-Wise

	2009		2010		2011		2012		2013	
	Stolen	Value								
Motor Cycle & Scooter etc.	110753	27959.9	115682	29783.0	122115	32505.4	124160	33345.8	135431	44205.6
Motor Car/ Taxi/ Jeep	20684	36372.0	21605	34925.2	20965	40228.1	19830	37911.9	19529	40851.9
Other Motor Vehicles	6819	19619.9	6959	19278.7	7759	25807.2	8083	25952.2	9421	30659.5

Source: *Crime in India, NCRB*.

In light of the above discussion, it may be said that insuring motor vehicles is very much essential, which will benefit the motor vehicle owners, government as well as to other members of the society, if any motor vehicle accident takes place.

The Indian insurance industry consists of 24 life insurance companies and 29 non-life (general) insurance companies as follows :-

Life Insurance Companies

1.	Aegon Life Insurance Co. Ltd.
2.	Aviva Life Insurance Co. India Ltd.
3.	Bajaj Allianz Life Insurance Co. Ltd.
4.	Bharti AXA Life Insurance Co. Ltd.
5.	Birla Sun Life Insurance Co. Ltd.
6.	Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd.
7.	DHFL Pramerica Life Insurance Co. Ltd.
8.	Edelweiss Tokio Life Insurance Co. Ltd
9.	Exide Life Insurance Co. Ltd.
10.	Future Generali India Life Insurance Co. Ltd.
11.	HDFC Standard Life Insurance Co. Ltd.
12.	ICICI Prudential Life Insurance Co. Ltd.
13.	IDBI Federal Life Insurance Co. Ltd.
14.	IndiaFirst Life Insurance Co. Ltd
15.	Kotak Mahindra Old Mutual Life Insurance Ltd.
16.	Life Insurance Corporation of India
17.	Max Life Insurance Co. Ltd.
18.	PNB MetLife India Insurance Co. Ltd.
19.	Reliance Life Insurance Co. Ltd.
20.	Sahara India Life Insurance Co. Ltd.
21.	SBI Life Insurance Co. Ltd.
22.	Shriram Life Insurance Co. Ltd.
23.	Star Union Dai-Ichi Life Insurance Co. Ltd.
24.	Tata AIA Life Insurance Co. Ltd.

Non-Life (General) Insurance Companies

1.	Agriculture Insurance Co. of India Ltd.
2.	Apollo Munich Health Insurance Co. Ltd.
3.	Bajaj Allianz General Insurance Co. Ltd.
4.	Bharti Axa General Insurance Co. Ltd.
5.	Cholamandalam MS General Insurance Co. Ltd.
6.	Cigna TTK Health Insurance Co. Ltd.
7.	Export Credit Guarantee Corporation of India Ltd.
8.	Future Generali India Insurance Co. Ltd.
9.	HDFC ERGO General Insurance Co. Ltd.
10.	ICICI Lombard General Insurance Co. Ltd.
11.	IFFCO Tokio General Insurance Co. Ltd.
12.	L&T General Insurance Co. Ltd.
13.	Liberty Videocon General Insurance Co. Ltd.
14.	Magma HDI General Insurance Co. Ltd.
15.	Max Bupa Health Insurance Co. Ltd.
16.	National Insurance Co. Ltd.
17.	The New India Assurance Co. Ltd.
18.	The Oriental Insurance Co. Ltd.
19.	Raheja QBE General Insurance Co. Ltd.
20.	Reliance General Insurance Co. Ltd.
21.	Religare Health Insurance Co. Ltd.
22.	Royal Sundaram Alliance Insurance Co. Ltd.
23.	SBI General Insurance Co. Ltd.
24.	Shriram General Insurance Co. Ltd.
25.	Star Health and Allied Insurance Co. Ltd.
26.	Tata AIG General Insurance Co. Ltd.
27.	United India Insurance Co. Ltd.
28.	Universal Sompo General Insurance Co. Ltd.
29.	Kotak Mahindra General Insurance Co. Ltd.

Among the life insurance companies, Life Insurance Corporation (LIC) is the sole public sector insurance company and among the non-life insurance companies there are six public sector insurance companies. Additionally, there is sole national re-insurer viz. General Insurance Corporation of India. In 1993 Malhotra Committee was appointed by the Government of India and this Committee submitted its report in 1994 in which it recommended to establish the Insurance Regulatory and Development Authority (IRDA) and it further recommended that the private sector be permitted to enter the insurance industry and the foreign companies be allowed to enter by floating Indian companies, preferably a joint venture with Indian partners. Accordingly, the IRDA was established as regulator of the Indian insurance industry. The Foreign Direct Investment in Indian insurance companies has been enhanced from 26% to 49% by the Insurance Laws (Amendment) Act, 2015 with the safeguard of Indian Ownership and Control.

Since, the motor vehicles insurance is part of non-life (general) insurance, therefore, it is prudent to give an idea of the share of general insurance products with special reference to motor vehicles insurance. Table-4 presents the data of last ten years from 2005-06 to 2014-15 [figure in brackets indicate share of respective segment in total premium (in per cent)] from which it is apparent that the major part of non-life insurance is in motor vehicles insurance category and regular growth has been recorded in this category. The cause behind this is the mandate of law to have insurance policy for every motor vehicle.

Table-4 : Segment-wise Premium (Within India) Underwritten by Non-Life Insurers

(Rs. in Crore)

Department	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Fire	3775	4132	3459	3383	3869	4555	5430	6659	7363	8057
	(18.54)	(16.59)	(12.43)	(11.14)	(11.18)	(10.70)	(10.27)	(10.57)	(9.49)	(9.51)
Marine	1284	1628	1799	1956	2168	2519	2875	3029	3162	3020
	(6.31)	(6.54)	(6.47)	(6.44)	(6.26)	(5.92)	(5.44)	(4.81)	(4.08)	(3.57)
Motor	8733	10697	12685	13336	15047	18173	24239	29630	33823	37379
	(42.90)	(42.95)	(45.59)	(43.94)	(43.46)	(42.68)	(45.84)	(47.05)	(43.61)	(44.14)
Health	2221	3310	4894	6088	7311	9943.93	11777	13975	19634	22636
	(10.91)	(13.29)	(17.59)	(20.06)	(21.12)	(23.35)	(22.27)	(22.19)	(25.32)	(26.73)
Others	4347	5139	4986	5588	6225	7386	8556	9680	13572	13592
	(21.35)	(20.63)	(17.92)	(18.41)	(17.98)	(17.35)	(16.19)	(15.37)	(17.50)	(16.05)
Total	20360	24905	27823	30352	34620	42576	52876	62973	77554	84684

Source: Annual Reports, IRDA.

MOTOR VEHICLES INSURANCE IN INDIA: LAWS AND POLICIES

In India, the motor vehicles were first introduced during the closing years of the nineteenth century and thus the first legislation to regulate the motor vehicles i.e. The Indian Motor Vehicles Act, 1914 was enacted during British India in 1914 in which eighteen sections were there. But, as per report of NCRWC, 'the rapid growth of motor vehicles posed a threat to the British owned

railway companies. Thus, the government felt the need to regulate passenger and goods motor transport vehicles to prevent them from competing with railways.⁷ Having this key objective in mind and on the basis of recommendations of the Wedge Wood Committee Report, the Motor Vehicles Act, 1939 was enacted and the earlier Act of 1914 was repealed. This Act was divided into Ten Chapters spread over 134 sections in addition to 11 Schedules. This Act introduced the compulsory motor vehicles insurance in India with effect from 1st July, 1946. Chapter-VIII of this Act, containing sections 93-111, dealt with insurance of motor vehicles against third party risks. Though, the Act of 1939 was amended several times but it was felt to enact a separate comprehensive legislation taking into account the changes in the transport technology, pattern of passenger and freight movements, development of the road network in the country and particularly the improved techniques in the motor vehicles management.

On the basis of recommendations of various Committees (National Transport Policy Committee, National Police Commission, Road Safety Committee, Low Powered Two-Wheelers Committee) and Law Commission of India, a Working Group was constituted in January, 1984 to review the provisions of the Act, 1939. The Working Group received very constructive suggestions from various bodies and institutions and transport organisations including the manufacturers and the general public. The recommendations made by the Working Group and the comments received by the State Governments were discussed at a special meeting of Transport Ministers of all States and Union Territories. On the basis of the conclusions reached in the meeting of Transport Ministers and suggestions made by the Supreme Court in a case, the Motor Vehicles Bill was introduced in the Indian Parliament. Some of the important provisions of the Bill provide for the following matters :-

- (a) rationalisation of certain definitions with additions of certain new definitions of new types of vehicles;
- (b) stricter procedures relating to grant of driving licences and the period of validity thereof;
- (c) laying down of standards for the components and parts of motor vehicles;
- (d) standards for anti-pollution control devices;
- (e) provision for issuing fitness certificates of vehicles also by the authorised testing stations;
- (f) enabling provision for updating the system of registration marks;
- (g) liberalised schemes for grant of stage carriage permits on non-nationalised routes, All India Tourist Permits and also national permits for goods carriages;
- (h) administration of the Solatium Scheme by the General Insurance Corporation;
- (i) provision for enhanced compensation in cases of "no fault liability" and in "hit and run" motor accidents;
- (j) provision for payment of compensation by the insurer to the extent of actual liability to the victims of motor accidents irrespective of the class of vehicles;
- (k) maintenance of State registers for driving licences and vehicle registration;
- (l) constitution of Road Safety Councils.

Accordingly, the Bill was passed by both the Houses of Parliament and it received the assent of the President on 14th October, 1988 and its short title is the Motor Vehicles Act, 1988. This Act came into force on the 1st day of July, 1989 and it extends to the whole of India.

Chapter XI (sections 145-164) entitled 'Insurance of Motor Vehicles against Third Party Risks' of the Act, 1988 provides the mechanism of insurance for motor vehicles. Describing the importance of Chapter XI of the Act, 1988 Gujarat High Court in case of *Kara Gogan Rathod* on 17 March, 2016 observed that this is a social welfare legislation to extend relief by compensation to victims of accidents caused by use of motor vehicles. The provisions of compulsory insurance coverage of all vehicles are with this paramount object and the provisions of the Act have to be so interpreted as to effectuate the said object.

A motor vehicle cannot ply on the public place without valid motor vehicle insurance. As discussed above, third party liability motor insurance is statutorily mandatory under section 146 of the Act, 1988 but if the vehicle owner intends, he may take comprehensive insurance policy. For taking insurance policy, the vehicle owner has to make proposal in prescribed format available with any motor vehicle insurer, private or public. The proposal form is in printed format which is termed as Standard Form Contract in which the insurer prints the terms and conditions of the policy to bind both the parties. When the proposal is accepted by the insurance company, the consideration by the vehicle owner is paid and thus, a motor vehicle insurance contract comes into effect.

Thereafter, the general insurance policy is issued containing the following :-

- (a) the name(s) and address(es) of the insured and of any bank(s) or any other person having financial interest in the subject matter of insurance.
- (b) full description of the property or interest insured.
- (c) the location or locations of the property or interest insured under the policy and, where appropriate, with respective insured values.
- (d) period of Insurance.
- (e) sums insured.
- (f) perils covered and not covered.
- (g) any franchise or deductible applicable.
- (h) premium payable and where the premium is provisional subject to adjustment, the basis of adjustment of premium be stated.
- (i) policy terms, conditions and warranties.
- (j) action to be taken by the insured upon occurrence of a contingency likely to give rise to a claim under the policy.
- (k) the obligations of the insured in relation to the subject matter of insurance upon occurrence of an event giving rise to a claim and the rights of the insurer in the circumstances.
- (l) any special conditions attaching to the policy.

- (m) provision for cancellation of the policy on grounds of misrepresentation, fraud, non-disclosure of material facts or non-co-operation of the insured.
- (n) the address of the insurer to which all communications in respect of the insurance contract should be sent.
- (o) the details of the riders attaching to the main policy.
- (p) proforma of any communication the insurer may seek from the policyholders to service the policy.

In addition to the policy, a certificate of insurance is issued by the insurer which is used as an evidence before Police or other authorities. If due to any reason, the motor insurance policy cannot be issued then the insurer has to issue Cover Note in advance of the policy. Section 157 provides for transfer of certificate of insurance and giving information about the change of ownership of vehicle covered under an Insurance policy. It is further provided therein that such transferee shall apply within fourteen days from the date of transfer in the prescribed form to the insurer for making necessary changes in regard to the fact of transfer in the certificate of insurance and the policy described in the certificate in his favour and the insurer shall make the necessary changes in the certificate and the policy of insurance in regard to the transfer of insurance.

As per section 147, an insurance policy must be a policy which: (a) is issued by a person who is an authorised insurer and (b) insures the person or classes of persons specified in the policy - (i) against any liability which may be incurred by him in respect of the death of or bodily injury to any person, including owner of the goods or his authorised representative carried in the vehicle or damage to any property of a third party caused by or arising out of the use of the vehicle in a public place (ii) against the death of or bodily injury to any passenger of a public service vehicle caused by use of the vehicle in a public place. In simple terms, the death of or bodily injury to any person or damage to any property of a third party shall be deemed to have been caused by or to have arisen out of the use of a vehicle in a public place notwithstanding that the person who is dead or injured or the property which is damaged was not in a public place at the time of the accident, if the act or omission which led to the accident occurred in a public place. The motor insurance policy will cover (a) the amount of liability incurred. (b) in respect of damage to any property of a third party, a limit of Rs. 6000/- only.

Section 140 is based on no-fault liability which mentions that where death or permanent disablement of any person has resulted from an accident arising out of the use of a motor vehicle, the owner of the vehicle shall be liable to pay fixed sum of Rs. 50,000/- and Rs. 25,000/- compensation for such death or disablement, respectively.

Section 158 makes it compulsory on the part of the driver of the vehicle involved in accident, to produce the certificate of registration and insurance, the certificate of fitness and permit and driving licence without delay. It also provides that the police officer who makes a report of accident shall send a copy of the report to the Accident Claims Tribunal. The next section says that it is the duty of the police officer registering accident case and the registering authority to furnish to the person who alleges that he is entitled to claim compensation, all such particulars within prescribed time. In 'hit and run' cases, the provisions relating to compensation are provided in sections 161 and 163.

PROCEDURE OF MAKING MOTOR VEHICLES INSURANCE CLAIMS

The claim in respect of an insured vehicle may be third party claim, own damage claim or theft claim. The first and foremost duty of the claimant is to inform the insurer and report/inform the police. So that the insurer may take requisite steps for assessing the loss, if any. On receipt of such a communication, an insurer shall respond immediately and give clear indication to the insured on the procedures that he should follow. If the insurer, for any reasons to be recorded in writing and communicated to the insured, decides to reject a claim under the policy, it shall do so within a period of 30 days from the receipt of the survey report or the additional survey report. If the insurer finds that he is under liability to pay, he will send offer of settlement to insured and upon acceptance of that offer by the insured, the payment of the amount due shall be made within 7 days from the date of acceptance of the offer by the insured. In the cases of delay in the payment, the insurer shall be liable to pay interest at a rate which is 2% above the bank rate prevalent at the beginning of the financial year in which the claim is reviewed by it.

Under section 151, it is the duty of the insured to give information relating to the insurance on demand by or on behalf of the person making the claim for compensation. Section 155 provides that in the event of the death of the insured after the happening of an accident in which his motor vehicle was involved, the right of third parties will not be barred against the insured or his estate.

In this respect, the provisions contained in Chapter-XII of the Act are relevant which provide for Claims Tribunals which are established by the State Government to adjudicate upon claims for compensation arising out of motor vehicle accidents, resulting in death or bodily injury to persons or damages to any property of third parties. An application for compensation before Tribunal may be made :-

- (a) by the person who has sustained the injury or
- (b) by the owner of the property or
- (c) where death has resulted from the accident, by all or any of the legal representatives of the deceased or
- (d) by any agent duly authorised by the person injured or all or any of the legal representatives of the deceased.

Every application before Tribunal shall be made, at the option of the claimant, either to the Claims Tribunal having jurisdiction over the area in which the accident occurred or to the Claims Tribunal within the local limits of whose jurisdiction the claimant resides, or carries on business or within the local limits of whose jurisdiction the defendant resides.

Section 149 lays down that it is the duty of the insurers to satisfy judgements against persons insured in respect of third party risk. Next section mentions that in the event of the insured becoming insolvent any liability incurred by the insured person and his rights against the insurer will be transferred to and vest in the third party to whom the liability was so incurred.

The insolvency of the insured will not affect the liability of the insured or affect the claims of third parties or the rights against the insurer. Sec. 163A deals with special provisions as to payment of compensation on structured formula basis in which it has been said that the owner of the motor vehicle of the authorised insurer shall be liable to pay in the case of death or permanent disablement due to accident arising out of the use of motor vehicle compensation, as indicated in the Second Schedule, to the legal heirs or the victim.

Under section 168, the Claims Tribunal, after giving notice of the application to the insurer and after giving the parties (including the insurer) an opportunity of being heard, hold an inquiry into the claim, may make an award determining the amount of compensation which appears to it to be just and specifying the person or persons to whom compensation shall be paid and in making the award the Claims Tribunal shall specify the amount which shall be paid by the insurer or owner or driver of the vehicle involved in the accident or by all or any of them. The Tribunal shall deliver the copies of the award to the parties within fifteen days of the award and that the person against whom the award is made shall deposit the amount awarded within thirty days of announcement of the award.

In holding any inquiry, the Claims Tribunal may follow such summary procedures as it thinks fit. Where the Tribunal allows a claim for compensation, it may direct simple interest in addition to the amount of compensation.

But, there is no uniformity in awarding the compensation by the Claims Tribunals as held by Gujarat High Court in *United India Insurance Co. Ltd. v. Diptiben Ureshbhai Vora & others*, that the lack of uniformity and consistency in awarding compensation has been a matter of grave concern. Every district has one or more Motor Accident Claims Tribunals. If different Tribunals calculate compensation differently on the same facts, the claimant, the litigant, the common man will be confused, perplexed and bewildered. If there is significant divergence among Tribunals in determining the quantum of compensation on similar facts, it will lead to dissatisfaction and distrust in the system.

If a person is aggrieved by an award of a Claims Tribunal, within ninety days from the date of the award, he may prefer an appeal to the High Court but there will be no appeal where amount in the appeal is less than Rs. 10000/-. Any money due from any person under an award by the Claims Tribunal may be recovered by the Collector as arrears of land revenue. The jurisdiction of civil courts is barred where Claims Tribunal has been constituted.

Hon'ble Supreme Court of India in *Uttar Pradesh State Road Transport Corporation v. Kulsum & others*, held that the liability of the Insurance Company is exclusive and absolute and it cannot escape its liability of payment of compensation to third parties or claimants.

In *Oriental Insurance Co. Ltd. v. Jhuma Saha*, the Supreme Court Bench consisting of Hon'ble S.B. Sinha & Markandey Katju, JJ. held that the liability of insurance company does not arise until and unless the insured is liable for compensation regarding causing injury to any third party.

GRIEVANCE REDRESSAL

The objective of taking an insurance policy is the satisfaction of the insured that in case of any financial loss, the insurer will come forward and will compensate the loss but, due to any cause, if the expectation of the insured is not fulfilled or he is not satisfied with the services of insurer concerned, he may utilise the grievance redressal mechanism. In this respect, the IRDA has made Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002. Every insurer has been directed to have in place proper procedures and effective mechanism to address complaints and grievances of policyholders efficiently and with speed and the same along with the information in respect of Insurance Ombudsman shall be communicated to the policyholder along with the policy document and as may be found necessary. Every insurer, under Regulation 10, has been mandated to respond within 10 days of the receipt of any communication from its policyholders in all matters, such as :-

- (a) recording change of address
- (b) noting a new nomination or change of nomination under a policy
- (c) noting an assignment on the policy
- (d) providing information on the current status of a policy indicating matters, such as, accrued bonus, surrender value and entitlement to a loan
- (e) processing papers and disbursal of a loan on security of policy
- (f) issuance of duplicate policy
- (g) issuance of an endorsement under the policy; noting a change of interest or sum assured or perils insured, financial interest of a bank and other interests
- (h) guidance on the procedure for registering a claim and early settlement thereof.

Guidelines for Grievance Redressal by Insurance Companies, made under Regulation 5 as mentioned above, provides the following mandates to be adopted by insurer to :-

- have a Board approved Grievance Redressal Policy
- have a designated Grievance Officer of a senior management level
- have a system and a procedure for receiving, registering and disposing of grievances in each of its offices
- send a written acknowledgement to a complainant within 3 working days of the receipt of the grievance
- have automated systems that will enable online registration, tracking of status of grievances by complainants and periodical reports
- have in place a system to receive and deal with all kinds of calls including voice/e-mail, relating to grievances, from prospects and policyholders
- publicise its grievance redressal procedure and ensure that it is specifically made available on its website

The Turnaround Times (TAT) has been stipulated for the various services that a non-life insurance company has to render to the insured as under :-

Service	Maximum Turn Around Time
General	
Processing of proposal and communication of decisions including requirements/issue of policy/cancellations	15 Days
Obtaining copy of proposal	30 Days
Post policy issue service requests concerning mistakes/refund of proposal deposited and also non-claim related service requests	10 Days
General Insurance	
Survey report submission	30 Days
Insurer seeking addendum report	15 Days
Offer of settlement/rejection of claim after receiving first/addendum survey report	30 Days
Grievances	
Acknowledging a grievance	3 Days
Resolving a grievance	15 Days

In addition to above, the aggrieved insured can approach to IRDA Grievance Call Centre or Integrated Grievance Management System, Civil Court, Consumer Forums and Insurance Ombudsman also.

In Table-5, a comparative data of total insurance complaints and total motor insurance complaints have been depicted which presents that motor insurance complaints are largest in number. It is worthwhile to mention that there is significant drop from 85187 complaints in 2009-10 to 24647 in 2014-15 which is clear indication of improved customer service by motor insurers and strict regulatory system. From Table-6 it is clear that for last three financial years, the complaints related to 'claims' are highest and it is followed by 'policy related' complaints but the matter of relief for general insurance industry is that the numbers of complaints are in decreasing mode in every category.

Table-5 : Number of Motor Insurance Complaints

Year	Motor Insurance	All Complaints
2009-10	85187	186615
2010-11	58498	126658
2011-12	42982	93155
2012-13	35793	78927
2013-14	28100	63335
2014-15	24647	60688

Source: Consumer Affairs Booklet, Policyholder Protection & Welfare, IRDA.

Table-6 : Analysis of Motor Insurance Complaints for the Last Three Financial Years (No. of Complaints)

Complaint Type	2012-13	2013-14	2014-15
Claim	15235	13183	11641
Cover Note Related	586	589	553
Coverage	241	80	74
Others	3214	2508	3027
Policy Related	14546	10440	8177
Premium	941	599	525
Product	101	115	143
Proposal Related	251	183	193
Refund	678	403	314
Total	35793	28100	24647

Source: Consumer Affairs Booklet, Policyholder Protection & Welfare, IRDA.

Table-7 presents the data of insurance complaints (motor and total) for the year 2014-15 company-wise (public and private). The motor vehicles insurance complaints have been registered in highest number with Liberty Videocon (97.47%), a private company and in public sector companies against United India Insurance (29.97%).

Table-7: Insurance Company-wise Complaints for 2014-2015

	Total No. of Complaints	Total No. of Motor Insurance Complaints	Percentage of Motor Insurance Complaints
Bajaj Allianz General	4770	1933	40.52%
Bharati Axa General	4586	3947	86.07%
Cholamandalam MS General	2508	1659	66.15%
Future Generali India	3727	3137	84.17%
HDFC ERGO General	2086	1162	55.70%
ICICI Lombard General	5930	3238	54.60%
IFFCO Tokio General	2043	1861	91.09%
L&T General	431	83	19.26%
Liberty Videocon	356	347	97.47%
Magma HDI General	101	95	94.06%
Max Bupa Health	427	1	0.23%
Universal Sompo General	358	203	56.70%
Reliance General	1762	1274	72.30%
Royal Sundaram Alliance General	4976	1384	27.81%
SBI General	1325	26	1.96%
Shriram General	135	124	91.85%
Star Health and Allied	2785	1	0.04%
Tata-AIG General	3963	134	3.38%
The New India Assurance	3204	649	20.26%
The Oriental Insurance	2165	394	18.20%
United India Insurance	5705	1710	29.97%
National Insurance	4740	1285	27.11%

Source: Consumer Affairs Booklet, Policyholder Protection & Welfare, IRDA.

Motor Vehicles Insurance in India: General Practice

The following tables present the real picture of Indian motor vehicles insurance industry's Gross Direct Premium Income from different aspects like – channel-wise, year-wise and motor insurance type-wise of last six years from 2009-10 to 2014-15. It is obvious from Table-8 that, in the age of information technology also, the traditional channel i.e. individual agent is very effective and has got success in collecting the major part of premium every year. Perhaps, the factor for this achievement is the trust between the agents and insured. This channel has been followed by 'Direct Business' and then Brokers.

Table-8 : Channel-wise Gross Direct Premium Income (2009-10 to 2014-15)

(In Crores)

Types of Channel	Individual Agents		Corporate Agents - Banks		Corporate Agents - Others		Brokers		Referral Arrangements		Direct Business		Micro Insurance Agents		Others		Total
	Year	Motor Own Damage	Motor Third Party	Motor Own Damage	Motor Third Party	Motor Own Damage	Motor Third Party	Motor Own Damage	Motor Third Party	Motor Own Damage	Motor Third Party	Motor Own Damage	Motor Third Party	Motor Own Damage	Motor Third Party	Motor Own Damage	Motor Third Party
2009-10	4203	3018	447	181	1578	518	931	546	238	76	2044	1354	-	-	45	165	9486
2010-11	4694	2863	746	225	1069	342	1821	969	273	122	3380	1557	-	-	54	61	12036
2011-12	6727	5411	640	367	417	198	1884	1080	89	35	4038	2383	-	-	283	255	14078
2012-13	9219	5240	883	459	857	207	4726	1997	3	3	3648	1946	-	-	260	242	19595
2013-14	8020	9191	842	688	915	579	4917	2713	2	2	2984	2612	-	-	87	88	17768
2014-15	8357	9353	705	682	1243	1168	5451	3053	1	2	2186	5248	00	0.01	76	42	18019
Sub-Total	41220	35076	4263	2602	6079	3012	19730	10358	606	240	18280	15100	00	0.01	805	853	
Total	76,296		6,865		9,091		30,088		846		33,380		0.01		1,658		

Source: Handbook on Indian Insurance Statistics, IRDA.

Table-9 presents the data year-wise from which it is clear that Motor Own damage/ Comprehensive Policy is more preferred by the Indian policyholders in comparison to Third Party Liability policy except for the year 2014-15 where the Third Party Liability policy has more amount than Motor OD. The data for the years 2015-16 and 2016-17 are not final.

Table-9 : Year-wise Gross Direct Premium Income (2009-10 to 2016-17)

(in Crores)

Year	Motor Own Damage	Motor Third Party
2009-10	9486	5857
2010-11	12036	6139
2011-12	14078	9729
2012-13	19595	10094
2013-14	17768	15873
2014-15	18019	19547
2015-16*	19071.09	19066.76
2016-17**	5384.27	6068.37

* For the Period up to February, 2016.
 ** For the Period up to April-June, 2016.
 Available at www.gicouncil.in/statistics/industry-data.aspx

Source: *Handbook on Indian Insurance Statistics 2014-15, IRDA*.

Table-10 presents the total number of motor vehicles registered in India in last ten years from the year 2004 to 2013. It is obvious that the Two-Wheelers constitute the largest part of total vehicles, which is followed by 'Cars, Jeeps & Taxis'. In the light of these data, when the percentage of insured vehicles are compared, the situation may be termed as worst.

Table-10: Number of Registered Motor Vehicles (Percentage of total) [2004-2013]

Year	Two-Wheelers	Cars, Jeeps & Taxis	Buses	Goods Vehicles	Other Vehicles	Total (in million)
2004	71.4%	13.0%	1.1%	5.2%	9.4%	72.7
2005	72.1%	12.7%	1.1%	4.9%	9.1%	81.5
2006	72.2%	12.9%	1.1%	4.9%	8.8%	89.6
2007	71.5%	13.1%	1.4%	5.3%	8.7%	96.7
2008	71.5%	13.2%	1.4%	5.3%	8.6%	105.3
2009	71.7%	13.3%	1.3%	5.3%	8.4%	115.0
2010	71.7%	13.5%	1.2%	5.0%	8.6%	127.7
2011	71.8%	13.6%	1.1%	5.0%	8.5%	141.8
2012	72.4%	13.5%	1.0%	4.8%	8.3%	159.5
2013	72.7%	13.6%	1.0%	4.7%	8.0%	182.4

Source: *Road Transport Year Book, Ministry of Road Transport & Highways, Government of India*.

As per the data provided by the General Insurance Council Year Book, the percentage of insured vehicles versus registered vehicles is as under :-

As on 31st March, 2011 :-

Insured Two-Wheelers	:	27%
Insured Taxis	:	29%
Insured Private Cars	:	73%
Insured Buses	:	83%
Insured Goods Vehicles	:	64%

It is evident from the above data that Two-Wheelers, occupying the largest part (71.8%) of non-life insurance, have insured their vehicles as smallest percentage (27%). The condition of Buses may be termed as the best because being the smallest (1.1%) in number of total vehicles have occupied the largest position (83%) in insured vehicles. At the same time, the condition of Goods Vehicles is not satisfactory as 36% are uninsured.

As on 31st March, 2012 :-

Insured Two-Wheelers	:	35%
Insured Private Cars	:	82%
Insured Passenger Carrying Vehicles	:	48%
Insured Goods Vehicles	:	85%

From the above data, it is clear that two-wheelers constitute the major part (72.4%) of the total vehicles but only 35% have been insured. Next, this is very disturbing from the aspect of law that 52% of passenger carrying vehicles are uninsured.

Justice (Retd.) K. S. Radhakrishnan, Chairman of Supreme Court-appointed Committee on Road Safety mentioned that 'IRDA representatives told us early this month that most two-wheelers either have no insurance or their insurance has lapsed. Most of the owners don't renew them since there is little enforcement.' [The Times of India, Saturday, May 23, 2015].

As per the survey conducted by ICICI Lombard, a majority of motor vehicles in India run without an insurance cover. This report says that while two-wheelers account for 70% of all vehicles in India, almost 75% of vehicles run without insurance - either they run without insurance or their insurance has lapsed. This is the condition when it is mandatory for all vehicles on the road under the Motor Vehicles Act to have a third party insurance cover. [The Hindu Business Line, Thursday, 17 December, 2015].

Supreme Court of India in *Jai Prakash v. M/S. National Insurance Co. & others*, has very nicely elaborated the effects of accidents involving uninsured motor vehicles as: 'A person hit by an uninsured vehicle, feels frustrated, cheated and discriminated, when he does not get any compensation, but sees another person hit by an insured vehicle getting compensation. The victim does not choose the vehicle which hits him, nor has any role in causing the accident. But a victim is denied compensation, if the vehicle which hits disappears without trace, or if the vehicle is without insurance, while a similar victim hit by an insured vehicle gets compensation.' In this case, Hon'ble Supreme Court of India directed that where there is no insurance cover for a vehicle, the owner should be directed to offer security or deposit an amount, adequate to satisfy the award that may be ultimately passed, as a condition precedent for release of the seized vehicle involved in the accident. If such security or cash deposit is not made, within a period of three months, appropriate steps may be taken for disposal of the vehicle and hold the sale proceeds in deposit until the claim case is disposed.

CONCLUSION

The motor vehicles insurance, occupying the largest segment of non-life insurance, has potential role in ameliorating the effects of casualties and crashes on a family. In addition to this, it is an effective device to do social justice with everyone in Indian territory. The main objective of policy for imposing compulsory motor vehicles insurance or prohibiting the use of motor vehicles on public place without statutory insurance is to enable the third party, suffering injuries from the use of motor vehicles, to get damages irrespective of the financial capacity of the vehicle owners. The National Transport Development Policy Committee, 2013 recommended that a major limitation of the data on vehicle fleets is that it focuses on the registration rather than on vehicles actually in use. This can be addressed through a specially created Motor Insurance Database wherein all insurance companies provide details of the first insurance policy as well as for renewals for each vehicle covered. In line with the recommendation of the above Committee, the Motor Insurance Database should be created at the National level, State level, District level and Block level by the Central Government and to be updated weekly by concerned insurers which, in turn, will provide an effective platform to regulate the vehicles without insurance.

The costs of motor insurance frauds are devastating not only for insurance companies rather for insured vehicle owners also. Every possible attempt should be made by the IRDA and insurance companies to diminish the social evil of insurance frauds. Further, a more comprehensive scheme for payment of compensation to every victim of road accidents should be formulated in place of present system of third party insurance system having a special fund created by collection of surcharge on the sale of petrol and diesel. The compensation from this fund should be paid to every victim of road accidents without any exception.

Next, the present system of motor insurance policies business should be changed and it should be available at vehicle owners' doors. Under the proper control and regulation of the IRDA, the motor insurers should be allowed to sell their policies as 'pre-paid insurance card', in line with mobile phones pre-paid cards, only for continuing motor policies not necessarily for minimum one year. If this facility is provided, undoubtedly the number of insured vehicles, particularly the two-wheelers, will increase, which in turn will fulfil the statutory requirements and protect the individuals/properties from financial loss.

Some motor insurance companies impose fine for renewing the lapsed policy, which is beyond general understanding, because for the lapsed period the insurer is not covering the incidents, if any. Such practices should not be allowed in any condition.

With the help of technology, special tags may be developed having machine readable bar code to be pasted on front of the insured vehicles. For proper checking of uninsured vehicles, instruments having high power zooming cameras may be installed along with traffic lights to read every vehicle special tag and accordingly the uninsured vehicles should be enlisted in Motor Insurance Database as mentioned above.

References

- 1) *119th Report on Access to Exclusive Forum for Victims of Motor Accidents under the Motor Vehicles Act, 1939*, Law Commission of India.
- 2) *Barriers to Inter-State Trade & Commerce - The Case of Road Transport*, National Commission to Review the Working of the Constitution available at <http://lawmin.nic.in/ncrwc/finalreport/v2b3-5.htm>.

- 3) *Crime in India*, the National Crime Records Bureau, Ministry of Home Affairs, Government of India.
- 4) *Global Status Report on Road Safety 2015*, World Health Organisation, 2015.
- 5) Handbook on Indian Insurance Statistics 2014-15, IRDA.
- 6) Indian Non-Life Insurance Industry Year Book 2012-2013.
- 7) Indian Non-Life Insurance Industry Year Book 2013-2014.
- 8) Insurance Laws (Amendment) Act, 2015 [Act No. 5 of 2015].
- 9) *Jai Prakash v. M/S. National Insurance Co. & others*, [Special Leave Petition (Civil) No. 11801-11804 of 2005 on 17 December, 2009].
- 10) *Kara Gagan Rathod* [C/FA/711/2012 Gujarat HC decided on 17 March, 2016].
- 11) *Motor Owners Insurance Co. Ltd. v. Jadavji Keshavji Modi & others*, 1982, Supreme Court Reports (1) 860.
- 12) Motor Vehicles Act, 1914 [Act No. VIII of 1914].
- 13) Motor Vehicles Act, 1939 [Act No. IV of 1939]. This Act came into force on 1st July, 1939.
- 14) Motor Vehicles Act, 1988 [Act No. 59 of 1988].
- 15) *National Insurance Co. Ltd v. Swaran Singh & others*, [Special Leave Petition (civil) 9027 of 2003 decided on 5 January, 2004].
- 16) *National Insurance Co. Ltd. v. Mallikarjun and others*, [II (1990) ACC 547].
- 17) *New India Assurance Co. Ltd v. Sadanand Mukhi and others*, [Civil Appeal no. 7402 of 2008 decided on 18 December, 2008].
- 18) *Oriental Insurance Co. Ltd. v. Jhuma Saha*, [(2007) 9 Supreme Court Cases 263].
- 19) P.K. Pandey, *Efficacy of Insurance Grievance Redressal Mechanism with Special Reference to Insurance Ombudsman: Legal Aspects*, The Journal of Insurance Institute of India, Vol. III, Issue III, January-March 2016, pp. 60-69.
- 20) *Problems of Developing Countries in the Field of Motor Insurance*, Trade and Development Board Committee on Invisibles and Financing related to Trade, Geneva, 13 December, 1982 available at http://unctad.org/en/PublicationsLibrary/tdbc3d176Supp.1_en.pdf.
- 21) *Road Accidents in India, 2015*, The Ministry of Road Transport & Highways, Transport Research Wing, Government of India.
- 22) *Roads and Road Transport*, National Transport Development Policy Committee, 2013, pp. 218.
- 23) *United India Insurance Co. Ltd. v. Diptiben Ureshbhai Vora & others*, [C/FA/2188/2002 Gujarat HC decided on 22 January, 2016].
- 24) *Uttar Pradesh State Road Transport Corporation v. Kulsum & others*, [[2011] 15 (Addl.) Supreme Court Reports 618].
- 25) World Insurance Report, 2016.